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DEFENSE LOGISTICS AGENCY

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JAN 7 1998

MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT DISTRICTS COMMANDERS, DCMC CONTRACT ADMINISTRATION OFFICES

SUBJECT: Low-Value Added Analysis

In May 1997, DCMC's Unit Cost Team polled each District and Contract Administration Office and asked that they identify direct and indirect processes and activities they considered to be low-value added. This effort was the result of a tasking by the Office of the Secretary of Defense to perform an in-depth review of current DCMC mission functions, with an analysis of the value added to each of its products and services.

HQ process owners have reviewed the recommendations provided by the various field offices. The attached worksheets set forth the HQ analysis and are provided for your information. No further action is required by the field. As noted in the attached worksheets, the majority of functions and processes identified as low-value added have recently been re-engineered, or are in process of re-engineering.

We appreciate your continued support of this important initiative. Should you have any questions or require assistance at any time, contact the Unit Cost Team at their internet address: unit cost@hq.dla.mil.

THOMAS E. BRUNK Executive Director Operational Assessment and Programming

Attachments